INFORMATION REPORT INFORMATION REPORT

CENTRAL INTELLIGENCE AGENCY

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 The Railroad Car Factory (Radionica Zeleznickih Vozila) in Zagreb is a federal enterprise with a manager appointed by the authorities in Belgrade. All the administrative power is in the hands of the manager, Kovacic (fnu). The Workers' Council, composed mainly of Party members, does not have any real power of decision. The factory employs from 2,000 to 3,000 workers. About ten percent of the workers are Party members.

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2. The workers in the factory feel that they are being cheated because they never receive wages and salaries to the full amount established by the budget plan. The so-called Wage and Salary Fund is used by the managing personnel also to finance various parties and for the purchase of cars for high factory officials. Recently the manager and the assistant manager each received an American-made car purchased from this fund. Workers are aware of these abuses but are afraid to discuss them because of the presence of many covert UDB informants among them. These abuses, however, give workers more incentive to steal tools, spare parts, and similar items from the factory and sell them on the black market. Everytody is stealing because of the low wages and salaries.

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